

HCS HB 811 -- INCOME TAX REFUNDS

SPONSOR: Richardson

COMMITTEE ACTION: Voted "Do Pass with Amendments" by the Standing Committee on Ways and Means by a vote of 12 to 0. Voted "Do Pass with HCS" by the Select Committee on Financial Institutions and Taxation by a vote of 10 to 0.

This bill requires interest to be paid at the current annual interest rate determined under Section 32.068, RSMo, on any individual or corporation income tax refund or overpayment if it is not refunded within 45 days of the date the return or claim was filed. Currently, interest is not allowed on the refunds and overpayments refunded within 90 days after the last date to file plus extensions, if permitted.

The bill requires the Director of the Department of Revenue to record and deposit all sums of money collected or received from the collection of state taxes within two business days.

PROPONENTS: Supporters say that the bill requires prompt deposit of funds received and encourages the Department of Revenue to get refunds out quickly. The government has already used the taxpayers' money for up to 15 and one-half months, interest free. The least the government can do is pay the refunds promptly.

Testifying for the bill were Representative Richardson; Associated Industries of Missouri; Taxpayers Research Institute of Missouri; Missouri Chamber of Commerce and Industry; Missouri Retailers Association; Missouri Grocers Association; Richard Moon; Missouri Budget Project; and Missouri Society of CPAs.

OPPONENTS: There was no opposition voiced to the committee.